

E-7

TOWN/VILLAGE OF HARRISON
INTER-OFFICE MEMORANDUM

TO: RONALD BELMONT, SUPERVISOR AND MEMBERS OF THE TOWN BOARD
FROM: MAUREEN MACKENZIE, COMPTROLLER *Maureen Mackenzie*
RE: TOWN BOARD MEETING OF SEPTEMBER 6, 2012
DATE: AUGUST 20, 2012

Your approval is requested to engage the firm of Allan Rotto Consultants, Inc., to review our monthly telecom billing charges to determine whether there are errors, discrepancies or improper charges in The Town of Harrison bills.

We had engaged the firm in 2003 and received refunds/credits totaling over \$19,000, which, after paying them their fee, amounted to approximately \$9,500 to us.

If there is no refund, credit or monthly reductions secured, there will be no fee.

If refunds, credits, or payment reductions are secured, the fee schedule is attached within the contract.

I respectfully request you to authorize the Supervisor to execute the attached contract which has been previously reviewed by the Law Department.

ALLAN ROTTO CONSULTANTS, INC.

"Telecommunication Auditors Since 1970"

www.rittoconsultants.com

301 MILL ROAD • SUITE L6 • HEWLETT, N.Y. 11557
Phone 516-791-3500 • Fax 516-791-3676 • e-mail: arctel@aol.com



- Tariff Analysis
- Utility Bill Review
- Cost Analysis
- System Design

AGREEMENT dated June 28, 2012, between ALLAN ROTTO CONSULTANTS, INC. and TOWN & VILLAGE OF HARRISON, hereinafter ARC and CLIENT.

CLIENT hereby retains ARC under the following terms and conditions:

1. ARC will review the client's monthly telecom billing charges (including services, usage & taxes) to determine whether there are errors, discrepancies or improper charges in client billing.

ARC will negotiate with the Telephone Company to have errors deleted or rates for charges reduced on the Client's current monthly billing and obtain refunds and/or credits (including taxes and interest), for prior erroneous charges. ARC will also have telco correct its charges, **with client approval**, for its billing for services neither connected &/or known used in the Client's network, or improperly utilized. Client agrees to allow ARC to complete all reconciliations, in order to secure savings &/or credits due. Finally, there will **never be a change** in Client's chosen Service Provider!

(A) If ARC is successful in securing Credits or Refunds, CLIENT agrees to compensate as follows:

<u>TOTAL CREDIT/REFUND</u> (inc tax, surch & int)	<u>FEE EARNED BY ARC</u> (per billing account)
1.00 - \$ 50,000.00	50 %
\$ 50,000.01 - \$ 99,999.00	45 % of credits over \$ 50,000.00
\$100,000.01 -	39 % of credits over \$ 100,000.00

(B) If ARC is successful in securing a permanent reduction in your monthly charges, we earn a fee as follows (fee may be paid in equal monthly payments & is due within 10 days of invoice).

<u>MONTHLY REDUCTION</u> (incl taxes & surch)	<u>FEE EARNED BY ARC</u> (per billing account)
\$ 0.00 - \$ 2,500.00	50% multiplied by 36 (can be paid monthly)
\$ 2,500.01 - \$	45 % of reduction over \$2,500.00 x 36

FYI: What if your company subsequently changes carriers, moves or disconnects service under a BTN where errors were found: **NO further monthly payments** will then be due ARC.

(C). Where there is no refund, credit or monthly reduction secured due to ARC efforts, **there is no fee!**

2. CLIENT will provide authorization, if necessary, in order for ARC to complete its telco negotiations.

3. If CLIENT fails to make payment as described in 1(a) or (b), all balances become due and payable.

ACCEPTED (36ss1pgL):

CLIENT: TOWN & VILLAGE OF HARRISON

BY:

HOWARD F. ROTTO, EVP

Signed

Dated

BY:

NAME/POSITION

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THANK YOU for your interest in having our firm audit your telephone bills.
We welcome adding your organization to our list of over 35,000 satisfied customers.

Kindly take a few minutes to read the following. This will enable us to obtain the proper billing information necessary to successfully complete our audit.

1. **LOA:** Type the sample letter of authorization (found below) on your letterhead. Please make certain to **date and sign**, noting title. Return with the signed agreement.
2. **BILL COPIES:** We only need 1 month of bills: Please send copies of pages 1 through 5 (including the face page) for each Verizon, CLEC, other local Operating Company or Resellers' monthly telephone bill recently received (from any month) for local service, T1s, private or data lines, **Internet** or frame relay service. Also please include a copy of any recent long distance, 800, or wireless bill received.
3. **AGREEMENTS:** Please provide copies of **any agreements** for lines, service, usage or rates.
4. **VENDOR:** If a Vendor services your voice or data systems, please provide company name & contact number, and any available maintenance or purchase agreements.

***** LETTER TO BE TYPED ON CLIENT'S STATIONERY *****

(Use Today's Date)

Allan Rotto Consultants, Inc.
Telecost Auditing Services
301 Mill Road - Suite L-6
Hewlett, New York 11557

RE: AUDIT OF TELECOMMUNICATION BILLS:
Local Operating Companies, CLECs, Resellers, LD Carriers,
Floor Exchange Services, Equipment Vendor, AT&T, Vz

Gentlemen:

We have engaged Allan Rotto Consultants, Inc. as our agent and consultant under FCC/PSC CPNI guidelines, to audit and review all of our telecommunication billing charges pursuant and having accepted the terms outlined in their Letter of Agreement dated

Pursuant to CPNI rules, they are authorized to act on our behalf and as our agent on our accounts with any of the above vendors. These companies are requested and authorized to furnish directly to ARC at their above address, copies of CSRs, any records of our telephone lines, services, usage, equipment, orders, bills, contracts/agreements or any other data that they may require for their study or to facilitate reconciliation, as well as issue necessary orders per their request. This authorization shall remain valid until otherwise notified.

Very truly yours (INST1010),

Authorized Signature

PRINT NAME

POSITION/TITLE



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WHY YOU WANT US TO CONDUCT A TELECOM AUDIT ...

1. 42 years of auditing experience

- * We are **Industry Founders** & our clients have received **\$28,000,000.00 in refunds!**
- * We are **independent auditors ... we do not represent** any carrier, reseller or vendor!
- * Our fee is **contingent on our success and is earned** only once we secure credits!

2. We have an attorney working full time on our staff.

- * This enhances not only our day to day negotiating skills, but allows us to pursue complicated tariff issues (effecting all carriers including Verizon, AT&T & Broadview), before both the BPU and the PSC at Informal & Formal Hearings.

3. Significant Achievements & Recent Success ... We do more than just audits!

- 1985:** Represent 6% of all claims filed in coupler litigation class action lawsuit (USDC 81-1804).
- 1994:** PSC Petition for Rule Change results in 18% interest on taxes billed in error (PSC Opinion 94-1).
- 2008:** PSC complaint results in Broadview tariff revision, concerning rates billed for analog private lines.
- 12/09:** SUNY College billed erroneous line & service rates ... **\$17,856/mo Savings!**
- 10/10:** Find AT&T billing NYC tech firm for services migrated to another carrier ... **\$66,357 in Refunds!**
- 07/11:** NJ City billed erroneous usage & contract rates ... **\$656,670 in Refunds!**

4. Our comprehensive telecom billing audit (supervised by legal counsel), includes a review of all tariffs & service guides, to obtain savings available under **your carrier's unpublicized, but often more favorable** billing schedules.

5. From our 1st major client, *American Airlines*, to our most recent, *City of Newark*, confident Financial Officers, IT Managers & Telecom Directors, chose to bring in the expertise of our auditing team, after their staff has "cleaned" up billing. Results ... ask Episcopal Health Services (\$126,000), Associated Foods (\$34,100) or Papamarkou Securities (\$25,700), about how our services were a welcomed addition to that already being provided by their IT or other internal auditing departments.